



City of Vacaville

Financial Performance Report

As of Year End June 2020

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June 30, 2020

EXECUTIVE SUMMARY

Fiscal year to date through June 30, 2020, General Fund revenues from all (citywide) sources totaled \$110,339,856 which includes \$38,494,030 in sales tax and Measure M receipts. Total General Fund disbursements through June 30, 2020 for all (citywide) operations totaled \$108,422,991 including \$81,268,315 in personnel related costs. The City's General Fund cash balance at the end of June was \$57,609,567. For the month of June there were 378 residential permits issued and 23 non-residential permits issued for construction, repairs and improvements for a permit valuation of \$19,478,613. Wastewater treated decreased and water consumption increased in June in comparison to the previous month. The working capital position decreased for both the wastewater utility division and for the water utility division.

For additional information, one can go to the City's website and access the Socrata software under Departments/Finance/Financial Transparency or use this link: <https://cityofvacaville.budget.socrata.com/> to go directly to Open Budget Vacaville.

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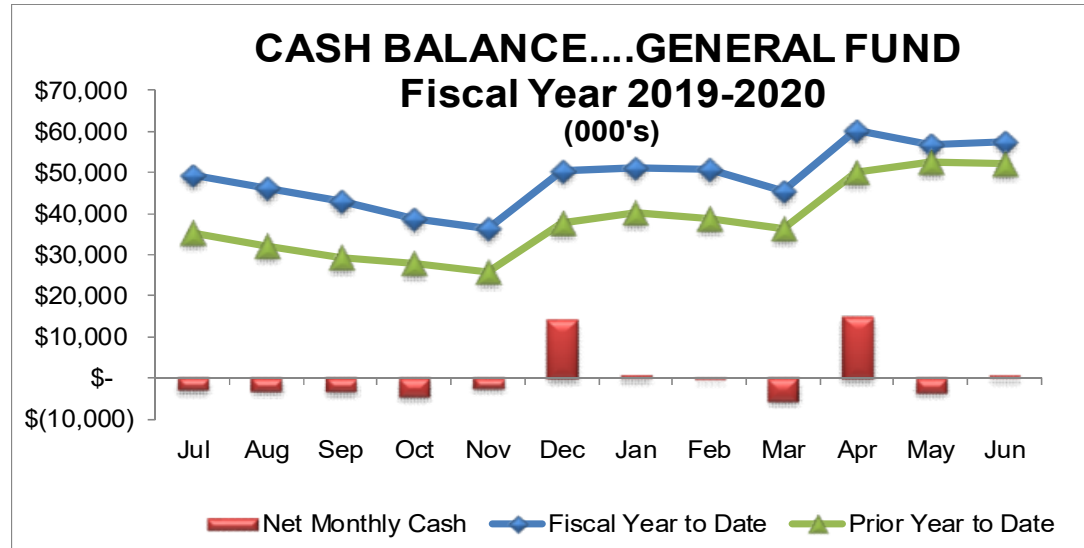
CASH BALANCE

Similar to a personal bank account, the City's "Cash Balance" is the amount of money in the bank on a particular date.

The "Net Monthly Cash" (red columns) is the difference between the monthly revenues and expenditures (i.e., what we take in and what we pay out). Peak cash inflow periods for the City are December and April when property tax payments are received from the County. (Note that the cash balance only reflects the cash available at a certain point in time and should not be confused with fund balance, which is the difference between governmental assets and liabilities).

The "Prior Year to Date" (green line) is the difference between the monthly revenues and expenditures through June 2019 and is not to be confused with the cash balance for the prior year.

For fiscal year 2020, cash inflows exceeded outflows by \$5,374,225 for the General Fund.



General Fund	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Net Monthly Cash	\$ (2,882)	\$ (3,053)	\$ (3,178)	\$ (4,369)	\$ (2,415)	\$ 13,995	\$ 839	\$ (335)	\$ (5,504)	\$ 14,924	\$ (3,361)	\$ 714
Fiscal Year to Date	\$ 49,353	\$ 46,300	\$ 43,122	\$ 38,753	\$ 36,338	\$ 50,333	\$ 51,172	\$ 50,836	\$ 45,332	\$ 60,256	\$ 56,896	\$ 57,610
Prior Year to Date	\$ 35,243	\$ 31,937	\$ 29,177	\$ 27,859	\$ 25,587	\$ 37,709	\$ 40,091	\$ 38,841	\$ 36,483	\$ 49,975	\$ 52,572	\$ 52,235

DEVELOPMENT ACTIVITY

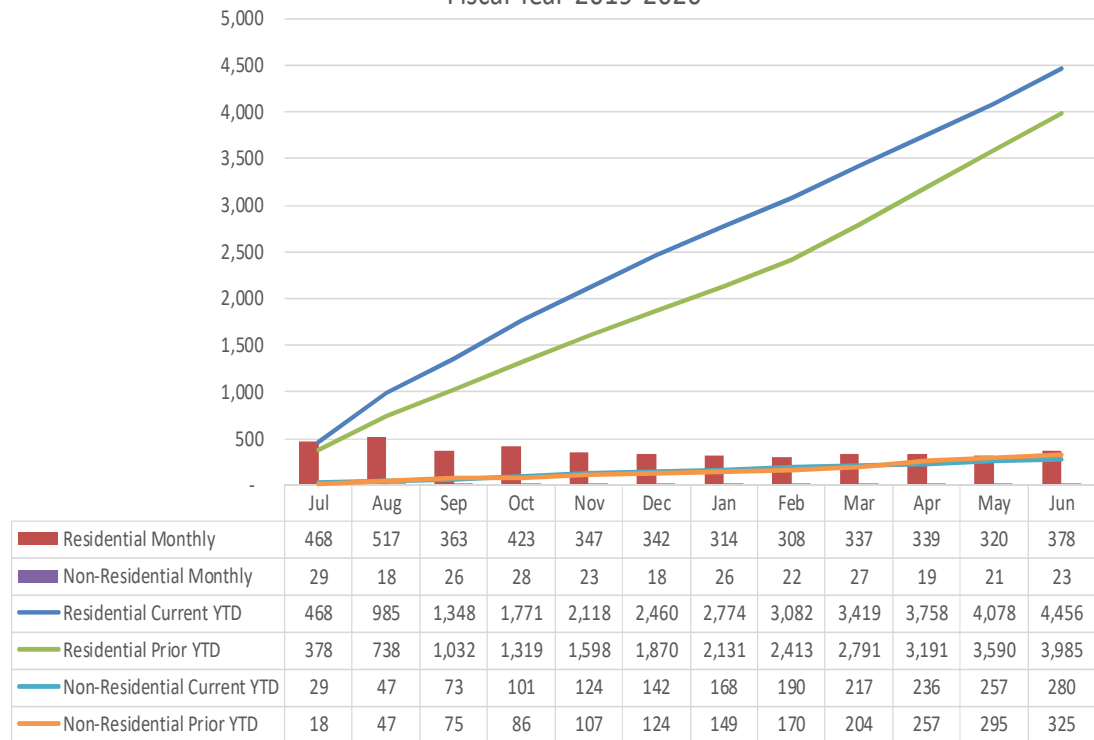
RESIDENTIAL & NON-RESIDENTIAL

Residential Development activity often acts as a barometer of local economic conditions. The blue line indicates the number of residential related permits issued this fiscal year to date, while the red bars show the monthly activity. Residential related permits include permits issued for construction, repairs and improvements on single and multi-family dwellings.

There were 37 new residential permits issued in the month of June. There were 8 permits issued for North Village, 16 permits issued for Vanden Estates, and 13 permits issued for Brighton Landing.

Non-Residential Development activity, similar to residential development, acts as a barometer of the local economy. Non-residential activity includes new construction, and repairs and improvements made to existing commercial and industrial buildings. Activities in these developments create construction jobs and may provide a permanent employment base for the community.

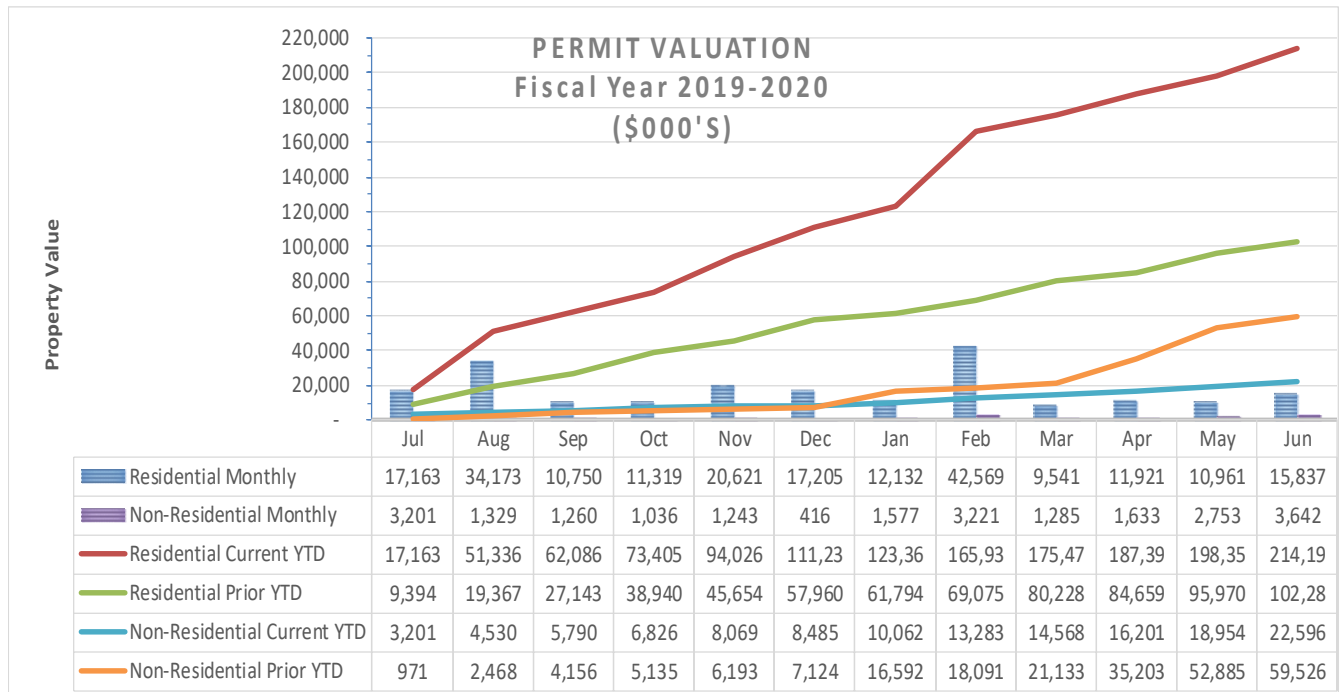
Building Permits Issued for
Construction, Repairs & Improvements
Fiscal Year 2019-2020



DEVELOPMENT ACTIVITY VALUATION

This chart tracks the valuation of residential and non-residential building permits issued by the City. This information is forwarded to the Solano County Assessor for inclusion on the property tax rolls.

The amount reported to the County Assessor translates into higher property tax revenue for the City.



GENERAL FUND

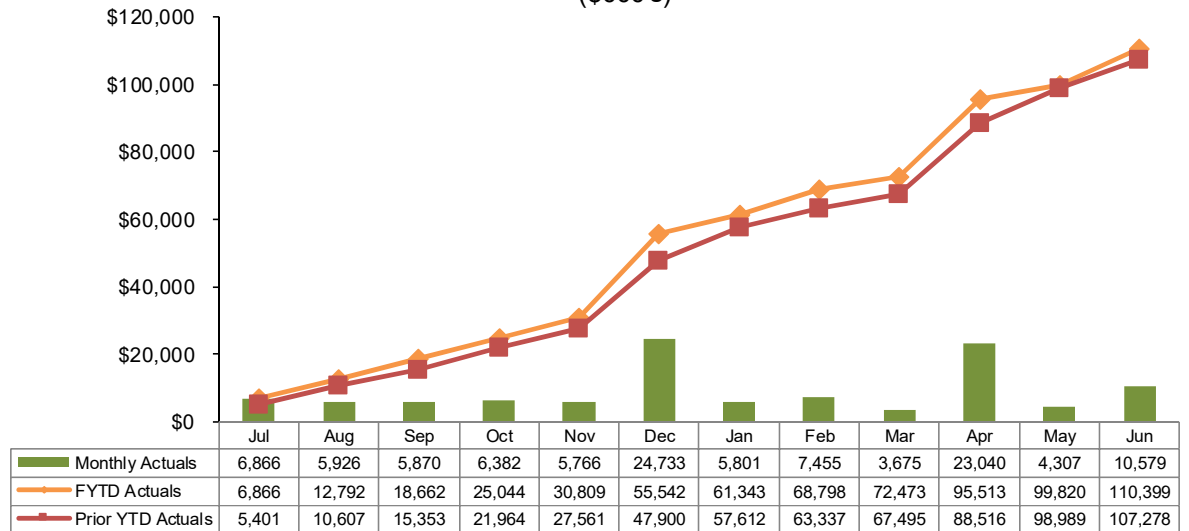
FINANCIAL SUMMARY

The **General Fund** receives its funding from such general revenue sources as taxes, fines, licenses and fees. The General Fund pays for services such as Public Safety, Street and Park Maintenance, Recreation, Paramedic Services, Legislative and City Administration.

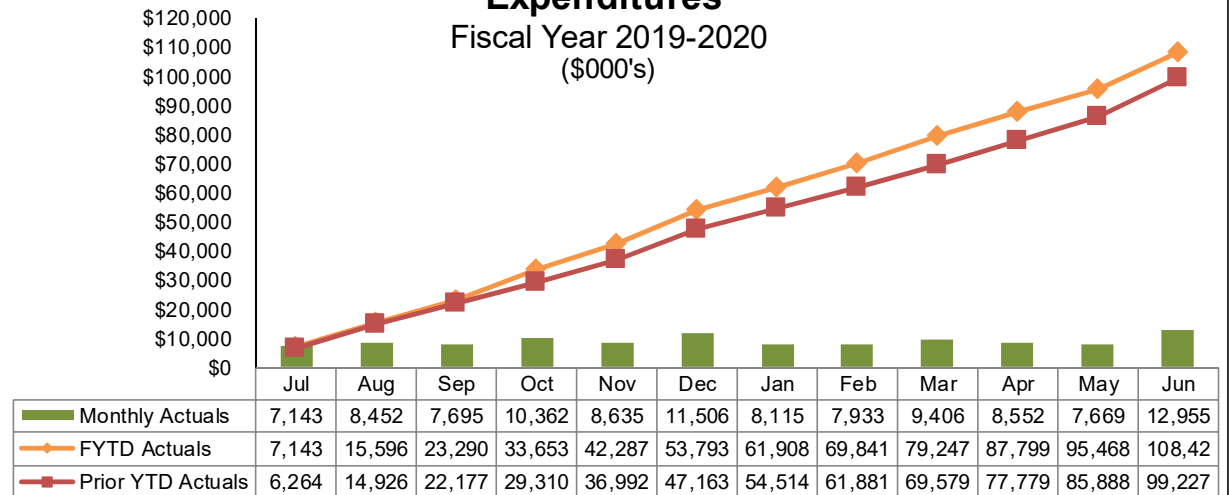
General Fund revenues through June 30, 2020 totaled **\$110,339,856**. The comparatively large increase in revenues for the months of December and April is due to property tax receipts.

Expenditures represent actual paid expenses and do not include encumbrances (*commitments made and agreed to be paid after obligations are fulfilled*). Expenditures through June 30, 2020 were **\$108,422,991**.

Revenues
Fiscal Year 2019-2020
(\$000's)



Expenditures
Fiscal Year 2019-2020
(\$000's)

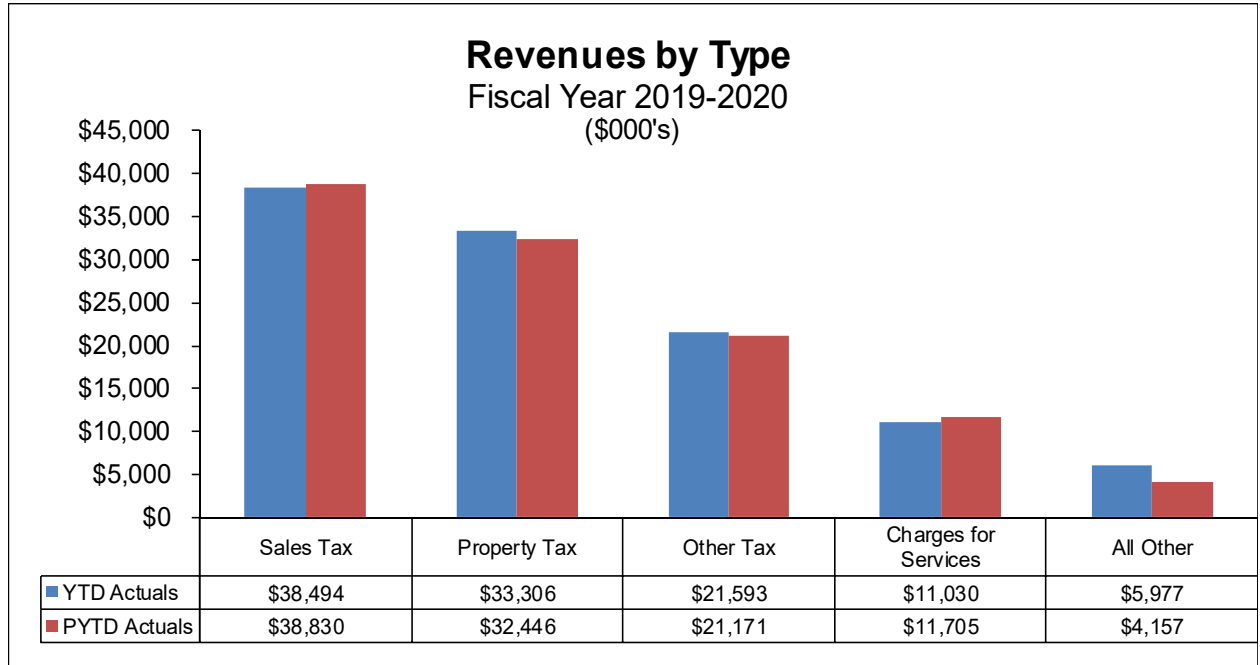


REVENUES

The City's 180+ revenue accounts are categorized by like types of activity on the adjacent chart. In general, revenues can be further summarized into Taxes, Fees, State Subventions and other revenues.

Approximately 65% of the City's YTD General Fund discretionary revenues were derived from Property Tax (30%) and Sales Tax (35%).

Note that property tax revenues are received in installments in the months of December and April, with a small clean-up payment in June. We also receive property tax in January and June related to the dissolution of the Redevelopment Agency. Sales Tax is received more or less uniformly throughout the year.



GENERAL FUND REVENUE

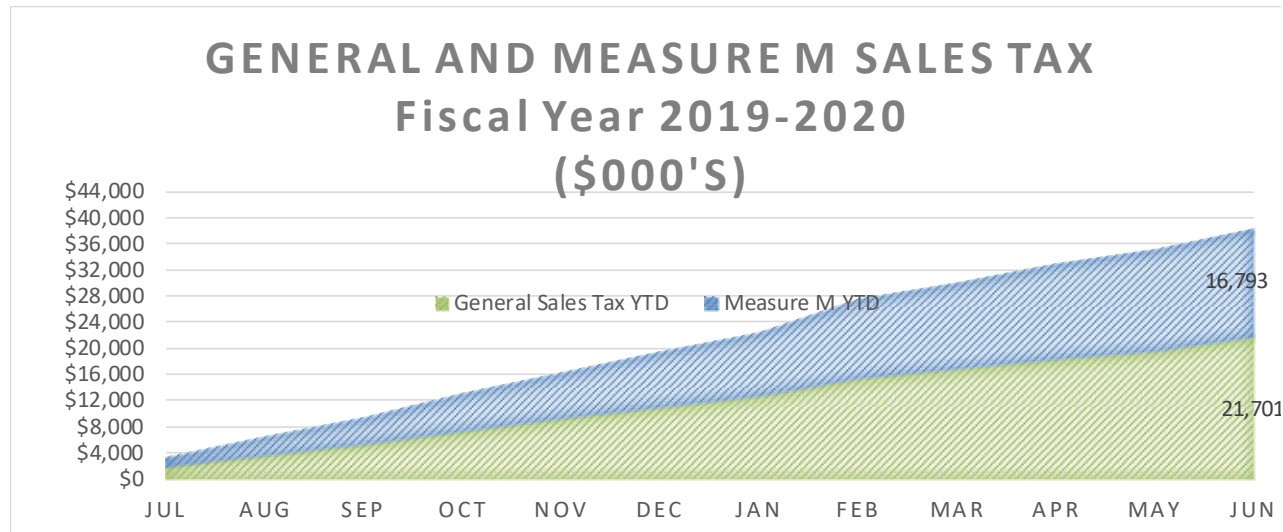
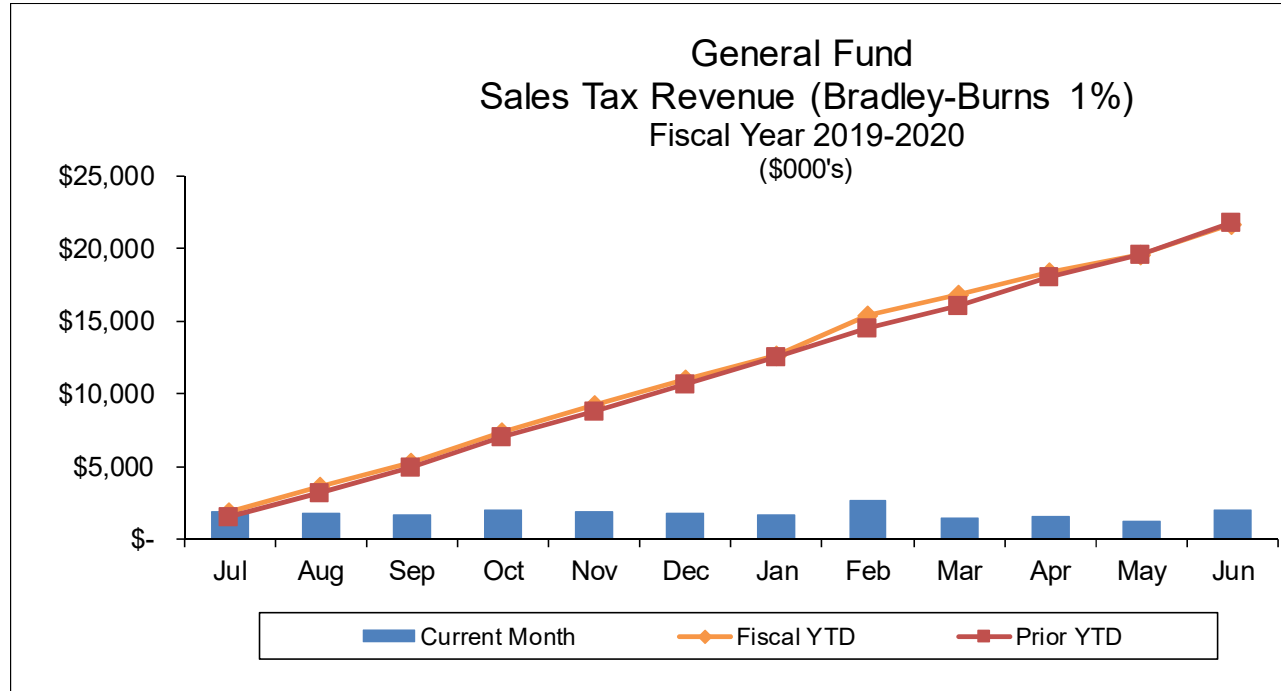
SALES TAX

One of the most significant revenue sources for the General Fund is Sales Tax.

Combined sales tax revenue year to date totals **\$38,494,030**. This includes **\$16,792,894** generated by Measure M, which was a quarter-cent sales tax effective April 2013. By voter approval Measure M sales tax rate increased to three-quarter of a percent effective April 1, 2018.

Note: The City receives monthly sales tax payments from the State based upon the California Department of Tax and Fee Administration (formerly the State Board of Equalization) estimates of retail sales transactions on a statewide basis. "Clean-up" payments are included every third month to adjust to actual sales. To the extent our local retail activity exceeds the statewide estimate, the City receives a positive clean-up payment; and the reverse holds true if local retail activity is below the statewide estimate.

The fiscal impact of the COVID-19 pandemic can be seen in the leveling out of the May and June sales tax total in comparison to last fiscal year. The impact on sales tax revenue has been partially mitigated by the implementation of the Wayfair decision which allows the state of CA to collect sales tax from online retailers based outside of the state.



GENERAL FUND REVENUE

PROPERTY TAX

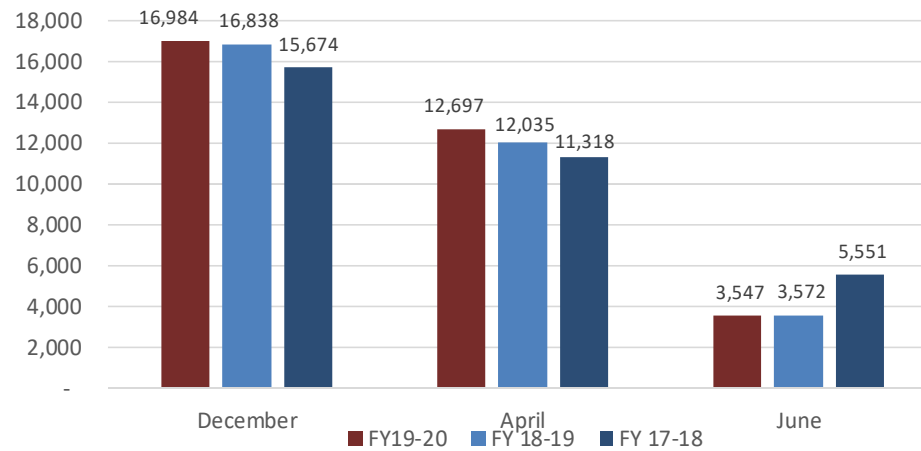
Another significant revenue source for the General Fund is Property Tax.

Property tax revenues are received in December and April, with a small clean-up payment in June.

The City also receives property tax in late December or early January and in June, related to the dissolution of the Redevelopment Agency. The January payment is included in the December property tax amount for comparison purposes.

FY2019-20 property tax revenues increased by approximately 2.4% compared to FY2018-19.

General Fund
Property Tax Revenue
(\$000's)



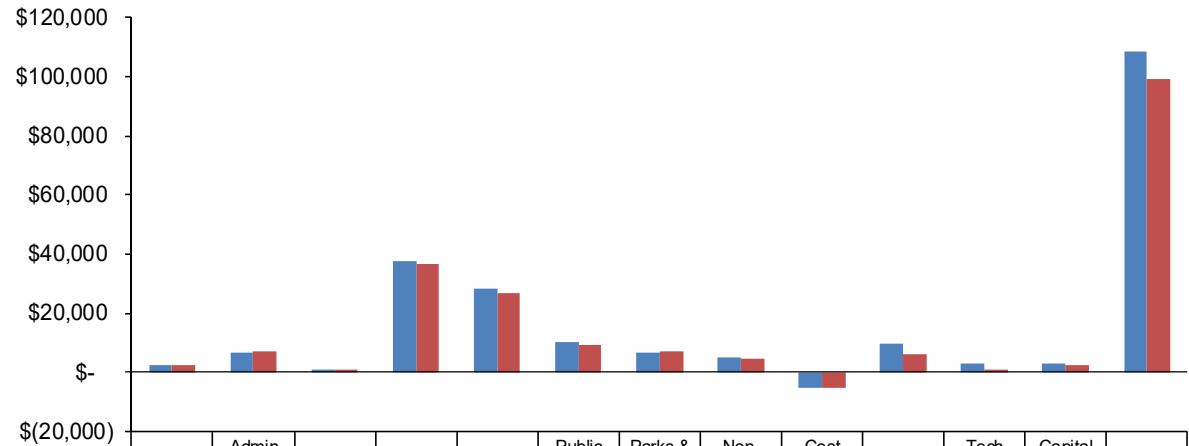
EXPENDITURE SUMMARY BY DEPARTMENT

General Fund spending through June 30, 2020 is **\$108,422,991**. Expenditures are within the projected budget for the fiscal year.

General Fund spending in Vacaville, as with most municipalities, is rather uniform from month to month, reflecting the fact that the majority of spending is personnel related.

Expenditures related to the new Measure M sales tax are being tracked separately in their own fund. Prior to Fiscal Year 2018-19, expenditures related to the former Measure M sales tax were reported within department expenditures.

Expenditures by Department
Fiscal Year 2019-2020
(000's)



	City Mgr	Admin Serv	City Attn	Police	Fire	Public Works	Parks & Rec	Non-Depart	Cost Alloc	Meas M	Tech Projs	Capital Projs	Total
■ YTD Actuals	\$2,228	\$6,822	\$1,077	\$37,883	\$28,395	\$10,430	\$6,386	\$5,036	\$(5,479)	\$9,562	\$2,871	\$3,212	\$108,422
■ PYTD Actuals	\$2,320	\$7,123	\$1,102	\$36,780	\$27,029	\$9,382	\$6,933	\$4,368	\$(5,287)	\$5,959	\$908	\$2,609	\$99,227

ENTERPRISE FUND

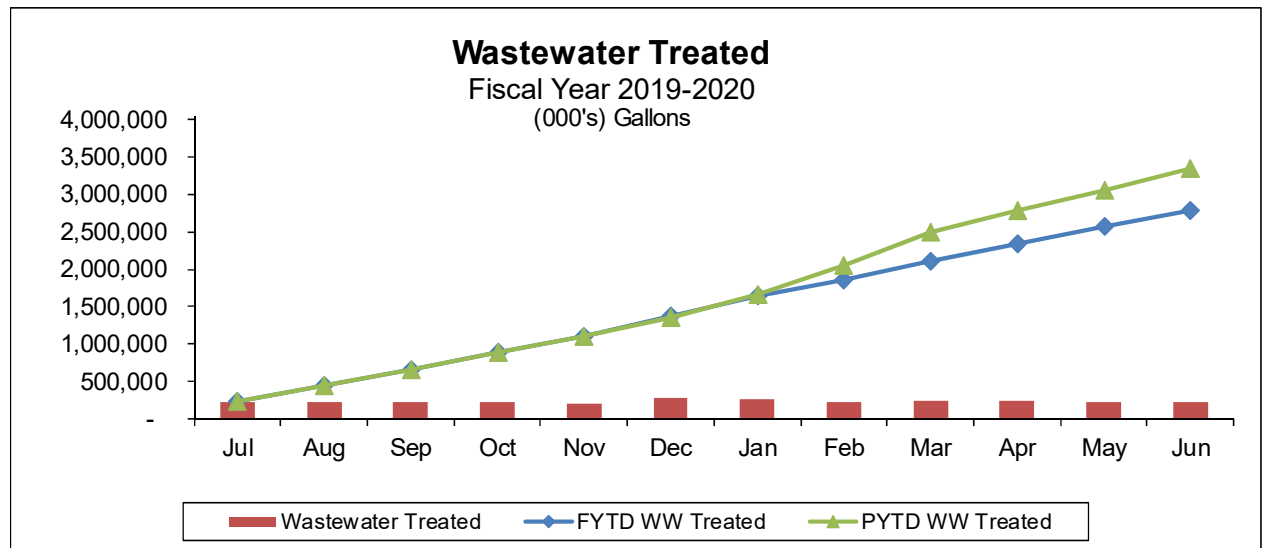
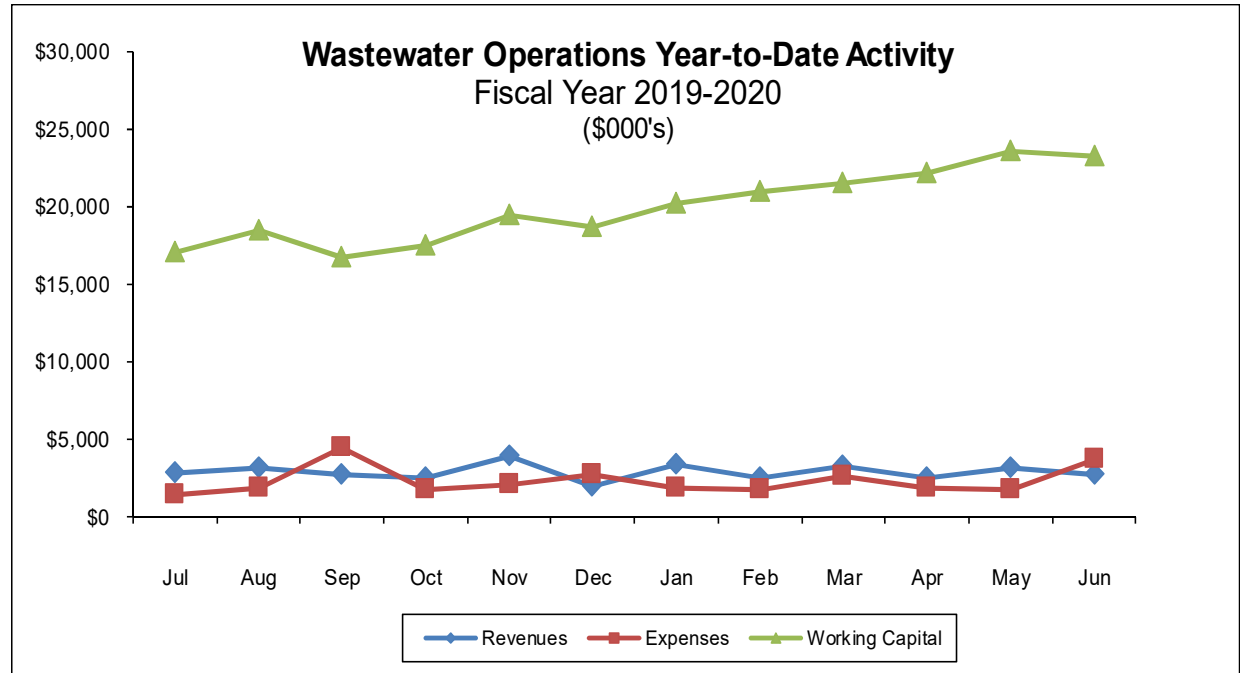
WASTEWATER UTILITY SUMMARY

These charts provide information pertaining to the operations of the City's Wastewater Utility. The upper chart reflects monthly revenue and expense information, while the lower chart tracks the volume of wastewater treated on a monthly and YTD basis.

The overall volume of wastewater treated has decreased from last year by 554 million gallons.

Note: We have included the monthly Working Capital balance under operating activity. Working Capital consists of current assets less current liabilities, and can be viewed similarly to an operating reserve, in that it represents the amount of funds available to cover sudden increases in operating expenses or decreases in operating revenues.

In addition to the Working Capital Reserve, as of June 30, 2020, there was \$19,469,475 that has been set-aside from wastewater operations into separate capital funds for scheduled rehabilitation and replacement of major facilities.



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Wastewater Treated	229,200	219,700	219,300	219,900	212,800	281,900	258,000	224,000	243,400	236,100	232,700	215,700
FYTD WW Treated	229,200	448,900	668,200	888,100	1,100,900	1,382,800	1,640,800	1,864,800	2,108,200	2,344,300	2,577,000	2,792,700
PYTD WW Treated	225,600	451,600	667,600	891,600	1,107,600	1,347,600	1,658,300	2,057,200	2,489,900	2,781,100	3,053,300	3,346,600

ENTERPRISE FUND

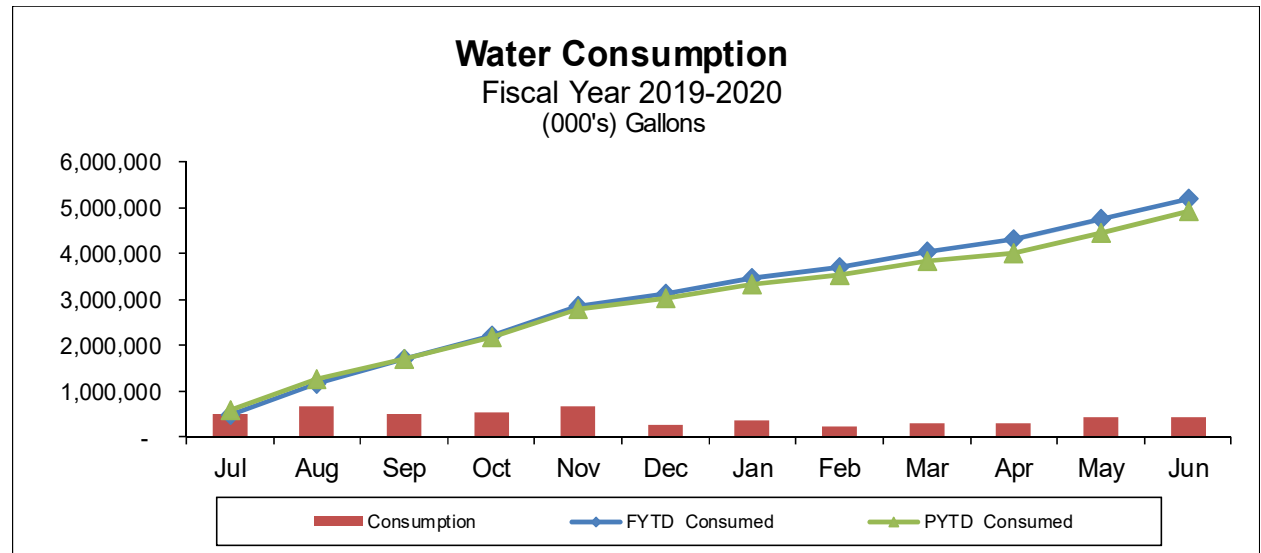
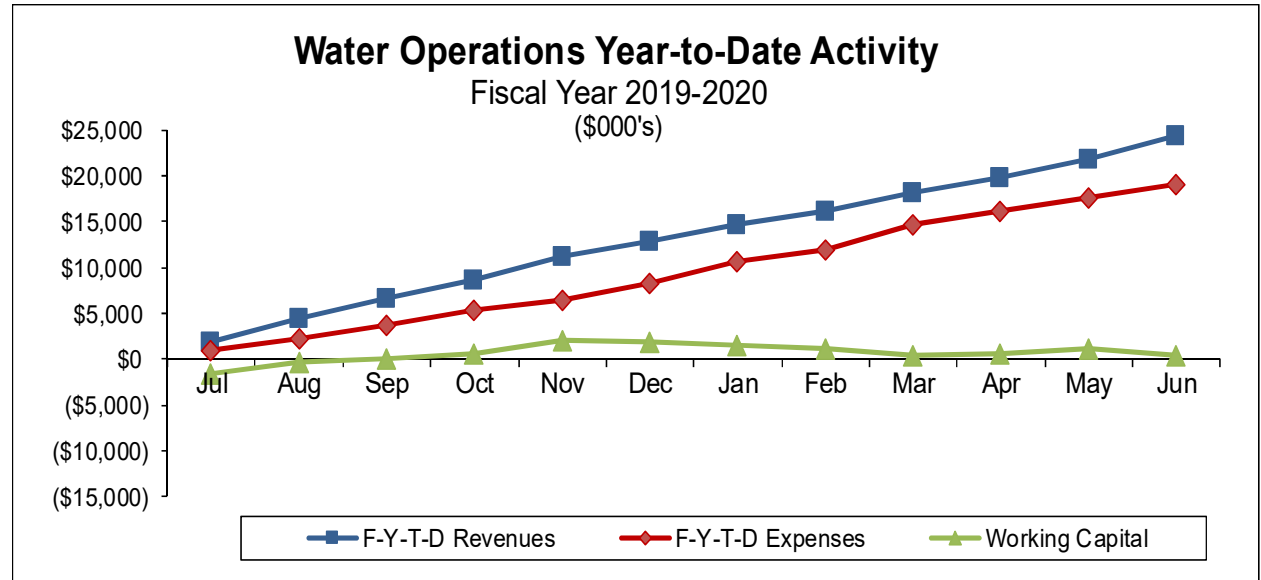
WATER UTILITY SUMMARY

These charts provide information pertaining to the operations of the City's Water Utility. The upper chart reflects monthly revenue and expense information, while the lower chart tracks the volume of water consumption on a monthly and YTD basis.

In comparison to the prior year, consumption has increased by 257 million gallons. Consumption numbers are based on the date the meter is read.

A Multi-year proposal was developed to return the water utility to a positive working capital position which included a series of annual water service rate increases over a five year period starting in February 2016. This series of increases was approved at the City Council meeting on January 12, 2016. The working capital of the water utility operation has gradually improved since the implementation of the proposal and is currently positive through June 2020.

Note: We have included the monthly Working Capital balance under operating activity. Working Capital consists of current assets less current liabilities, and can be viewed similarly to an operating reserve, in that it represents the amount of funds available to cover sudden increases in operating expenses or decreases in operating revenues.



Water	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Consumption	496,054	678,972	514,249	520,038	659,951	249,000	356,373	237,491	313,754	286,604	428,043	448,903
FYTD Consumed	496,054	1,175,026	1,689,275	2,209,313	2,869,264	3,118,264	3,474,637	3,712,128	4,025,882	4,312,486	4,740,529	5,189,432
PYTD Consumed	597,365	1,268,631	1,700,077	2,192,117	2,793,530	3,019,773	3,331,788	3,544,864	3,829,510	3,993,306	4,437,541	4,932,091